

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY

ALLEGED FAILURE TO COMPLY WITH
COMMISSION REGULATIONS

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) CASE NO. 93-057
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O R D E R

On February 19, 1993, the Commission initiated this show cause proceeding against LG&E upon finding a probable violation of 807 KAR 5:041, Section 3 and Section 3(1). These regulations require a utility to maintain its plant and facilities in accordance with good accepted engineering practices and require compliance with the National Electrical Safety Code 1990 Edition, respectively. The probable violation relates to a May 3, 1992 accident in Louisville, Kentucky that resulted in the death of an individual who came in contact with a down guy wire which came loose and contacted a 13KV conductor on a LG&E electric pole.

An informal conference was held with LG&E on March 18, 1993, at the Commission's offices in Frankfort, Kentucky. Discussions between LG&E and the Commission's Staff have resulted in the filing of a Stipulation of Facts and Agreement which includes the following salient points:

1. LG&E stipulates to the facts set forth in the Staff Electrical Utility Accident Investigation report, which was

appended to the Commission's February 19, 1993 Order, with the exception that subsequent information indicates that the guy anchor broke loose prior to the date of the accident.

2. LG&E has surveyed its electrical distribution system and identified 30,500 guying installations that are configured in a manner similar to the one involved in this accident. All such installations will be modified by December 31, 1994 at a cost of approximately \$2 million. Periodic status reports of the corrective action will be filed with the Commission.

3. LG&E will work with the Staff to establish a joint Commission-Electric Utility Industry Forum on electric safety engineering issues.

4. LG&E agrees to pay a civil penalty in the amount of \$5,000.

In determining whether the results of the Stipulation of Facts and Agreement are in the public interest and are reasonable, the Commission has taken into consideration the comprehensive nature of the Stipulation of Facts and Agreement and the amount of the penalty to be paid. Based on the evidence of record and being advised, the Commission hereby finds that the Stipulation of Facts and Agreement is in accordance with the law and does not violate any regulatory principal. The Stipulation of Facts and Agreement is the product of serious arms-length negotiations among capable, knowledgeable participants, is in the public interest and results in a reasonable resolution of all issues and charges pending in this case.

IT IS THEREFORE ORDERED that:

1. The Stipulation of Facts and Agreement, attached hereto and incorporated herein as Appendix A, be and it hereby is adopted and approved in its entirety as a complete resolution of all issues and charges in this case.

2. LG&E shall pay \$5,000 as a civil penalty within 30 days of the date of this Order by certified check or money order made payable to the Kentucky State Treasurer and mailed to the Office of General Counsel, Public Service Commission, P. O. Box 615, Frankfort, Kentucky 40602.

Done at Frankfort, Kentucky, this 10th day of June, 1993.

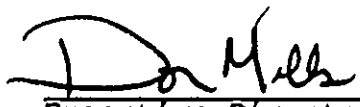
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

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STIPULATION OF FACTS AND AGREEMENT

By its Order dated February 19, 1993, the Commission initiated this proceeding to determine whether Louisville Gas and Electric Company ("LG&E") should be subject to penalties prescribed in KRS 278.990 for the probable violations of 807 KAR 5:041, Section 3 and Section 3(1). The Order arose out of an accident on May 3, 1992, near 2803 Lynn Cott Drive, Louisville, Kentucky, in which Jansen Goodman was electrocuted. Pursuant to the Commission's order, an informal conference between LG&E and the Commission Staff ("Staff") was held at the Commission's offices on March 18, 1993.

LG&E and the Staff have agreed that the Commission's determination in this proceeding is one which requires the application of the respective administrative regulations to the facts, and that the facts regarding the accident are not in dispute. LG&E and the Staff of the Commission submit the following agreement for the Commission's consideration in rendering its decision in this proceeding:

1. LG&E agrees that the material on page one and page two, up to and including the section entitled "Sources of Information," in the Staff Electrical Utility Accident Investigation report, attached to the Commission's Order of February 19, 1993 in this proceeding, correctly presents the relevant facts of this matter, with the exception of one additional fact. That addition is that LG&E learned subsequent to the preparation of the Staff

report that the guy wire which Mr. Goodman contacted had broken loose from its anchor some time prior to May 3, 1992.

2. As a result of the accident that is the subject of this proceeding, LG&E surveyed its distribution system to determine the number of guying installations that were configured in a manner similar to the one involved in this accident. After completing this survey, LG&E prepared and commenced the implementation of a corrective program which will alter approximately 30,500 guying installations so that the guys will either be effectively grounded or have multiple insulators installed. The purpose of the corrective program is to ensure to the extent possible that a fatal accident such as the one that is the subject of this proceeding will not occur again. LG&E has estimated that the full implementation of the corrective program will cost approximately \$2 million. LG&E hereby agrees to complete this program by December 31, 1994. LG&E further agrees to provide the Commission with monthly progress reports on the status of the program during its implementation. Attached to this Stipulation of Facts and Agreement and labelled "Attachment 1" is a current report on the status of the corrective program. Status reports filed pursuant to this agreement will be in the format used for Attachment 1.

3. LG&E agrees to work with the Staff to establish a joint Commission-electric utility industry forum on electric safety engineering. The purpose of the forum would be to bring together electric safety experts from the Kentucky utility industry, members of the Commission Staff, and invited outside experts to discuss current issues in the electric safety engineering field and make recommendations to the utility industry for the enhancement of the safety of their systems. The details of this forum, including the organization of an initial meeting, are to be developed by LG&E and the Staff and reported to the Commission. The on-going costs of the forum will be paid by the utility companies involved.

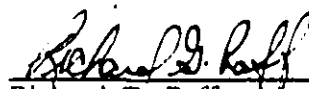
4. LG&E agrees to pay the amount of \$5,000 (Five Thousand Dollars) in full settlement of this proceeding. Neither this payment, nor any other agreement contained in this

Stipulation of Facts and Agreement, shall constitute an admission by LG&E that it has violated any section of the Commission's regulations or the provisions of the National Electric Safety Code. Furthermore, the Staff agrees that it shall not recommend to the Commission that it find that the facts contained in the Staff Report support a finding that LG&E violated the Commission's regulations or the National Electric Safety Code.

5. The Staff and LG&E agree that if this Stipulation of Facts and Agreement is not adopted by the Commission in its entirety, the Staff and LG&E reserve their rights to withdraw from this Stipulation of Facts and Agreement and require that a hearing be held on any and all matters involved herein. In such an event, LG&E and the Staff agree that the contents of this Stipulation of Facts and Agreement shall not be deemed binding upon the parties hereto, and cannot be used as admission by either party in any forum.

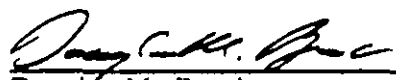
6. The Staff and LG&E agree that the foregoing Stipulation of Facts and Agreement is reasonable, is in the public interest, and should be adopted in its entirety by the Commission, and if so adopted, no petition for rehearing or judicial appeal will be filed.

Respectfully submitted,



Richard G. Raff
Counsel for the Staff of the Kentucky
Public Service Commission

Date: May 27, 1993



Douglas M. Brooks
Counsel for Louisville Gas and Electric
Company

Date: 5/25/93

Guy Wire Project Totals

Month of Report : April 1993

	Central	South	East	Total
Total Down Guys to Repair for Project	6,101	8,154	5,951	20,206
Total Head Guys to Repair for Project	2,439	1,628	747	4,814
Total Strain Guys to Repair for Project	2,983	1,950	798	5,731
Total Guys to Repair for Project	11,523	11,732	7,496	30,751
Total Down Guys Completed	970	2,817	122	3,909
Total Head Guys Completed	351	534	13	898
Total Strain Guys Completed	489	657	0	1,146
Total Guys Completed	1,810	4,008	135	5,953
Percent Completed	15.7%	34.2%	1.8%	19.4%
Total Down Guys Remaining to Repair	5,131	5,337	5,829	16,297
Total Head Guys Remaining to Repair	2,088	1,094	734	3,916
Total Strain Guys Remaining to Repair	2,494	1,293	798	4,585
Total Guys Remaining to Repair	9,713	7,724	7,361	24,798
Original Number of Guys to Complete Project		30,525		
Additional Number of Guys Found to be Repaired		226		
Total Number of Guys to Complete Project		30,751		

Guy Wire Monthly Totals

Month of Report : April 1993

	Central	South	East	Total
Down Guys Completed for Month	373	1,092	0	1,465
Head Guys Completed for Month	151	219	0	370
Strain Guys Completed for Month	297	297	0	594
Total Guys Completed for Month	821	1,608	0	2,429

Revised 5/12/93